

spenders are in the Congress, that we can discuss who really wants to spend billions that were not asked for, who wants to spend billions writing in special projects, who wants to start a star wars program.

I also hope maybe we can ask them, "Where are you going to get the money? Who are you going to ask to pay for these, or is this going to be charged to the taxpayers' credit card like so much of the spending is?"

Mr. President, I, if no one else is seeking the floor, ask to be allowed to speak for 5 minutes in morning business on a subject unrelated to the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

THE TRADE DEFICIT

Mr. DORGAN. In 5 minutes, Mr. President—because I suspect at the end of that time some others will want to move on some additional defense issues—I wanted to comment on something that happened during the Senate's recess. About two weeks ago we received notice about America's trade deficit for the first 6 months of this year, and the report was met with a giant yawn because nobody cares much about the trade deficit. Nobody writes about it. The major press does not treat it seriously in this country.

The trade deficit is largely a function of the trade policy that allows big American corporations to profit for their stockholders by accessing cheap labor in Sri Lanka, Bangladesh, Malaysia, or Indonesia, and selling the products of that cheap labor in Pittsburgh and Fargo and Devils Lake and Denver. All of that might make sense for stockholders and profits, but it means a wholesale exodus of jobs out of this country.

The trade figures showed that in the first 6 months of this year, we have the largest trade deficit in America's history, and that by the end of this year we will have a merchandise trade deficit approaching \$200 billion. Let me say that again. By the end of this year, our merchandise trade deficit will approach \$200 billion. By contrast, the Federal budget deficit will be \$160 billion in this year.

Let me give you some examples of where we are. Japan: At a time when we have a weak dollar, you would expect our trade situation with Japan would be improving. It is not. Japan has a \$65 billion annual trade surplus with the United States; China, over \$30 billion.

We just entered into NAFTA with Mexico and Canada in January of 1994. Prior to that, we had a surplus with Mexico, a \$2 billion trade surplus. Guess what? It is going to be an \$18 billion deficit this year.

I would like just one of those folks, one of those apostles for change, that came here and preached the virtues of the free trade agreement with Mexico, to come and stand in this Chamber and

tell me how this makes sense for America, how it makes sense for American workers, how it makes sense for the people who want good jobs and good income in this country.

We went from a \$2 billion trade surplus with Mexico before NAFTA to an \$18 billion trade deficit projected for 1995. Mexico, China, Japan—our trade strategy is a disaster, one that requires, in my judgment, emergency action in this country to stop the hemorrhaging.

You can make the point—I do not, but you could make the point—on fiscal deficits in this country, that the deficit is money we owe to ourselves, and even though it probably is disproportionately owed you can make the point that it is not a significant deficit. However, the trade deficit must be and will be repaid eventually in this country with a lower standard of living in America.

We have to take emergency action to stop this hemorrhaging. The hemorrhaging is the loss of good jobs moving outside of our country with the enormous trade imbalances.

Some people say, "Well, but the trade deficits relate to the fiscal deficits. If we did not have a fiscal deficit, we would not have trade deficits." The fiscal deficit came down \$280 billion to \$160 billion. The trade policy deficit is going up sharply at exactly the same time.

I would like the company economists to answer that. The fact is, this is a disconnected reality. International corporations, many of them Americans, have devised a strategy by which they say, "We have a plan. Our plan is to maximize profits." We want to maximize profits by producing overseas and selling here. The dilemma with that is it means you are losing good manufacturing jobs, which is the genesis of good jobs and good income and good security in our country, all for the sake of profits. Profits are fine for stockholders. But the fact is, jobs are important for the American wage earner.

We must somehow in some way decide that there is something called free trade, but there is something more important called fair trade. Should we continue to allow producers to decide to produce in countries where they can hire 12-year-old kids to work 12 hours a day and pay them 12 cents an hour and then ship the product to be sold in North Dakota or Wyoming or New York? Should we allow producers to produce in countries where there is no worker safety standard, no child labor standards, no minimum living wage standard, and then ship the product to be sold in Pittsburgh or Wyoming or North Dakota? I do not think so. I think it hurts our country, and I am not a protectionist. I am not someone who believes we ought to build walls around our country. But I believe this country ought to stand up and insist on fair trade and stop the hemorrhaging of trade deficits that injure and weaken America's economic system.

I very much would like one day in some way to see the press and the corporate structures and others in our country, especially Congress, take seriously what I think is an emergency in this country; and that is a failed trade strategy that is a bipartisan failure. It has been a failure for 20 years.

Our trade policies have not essentially changed since the end of the Second World War. During the first 25 years after World War II it was almost totally a foreign policy, foreign aid strategy. In those first 25 years it did not matter because we were so big and so strong that we just won the world economic race by waking up in the morning.

However, in the last 25 years that same trade policy has been a disaster. Sixty percent of the American families now have less income than they did 20 years ago, and less jobs and less opportunities.

That is why this is an important issue that this country must begin to address and begin to address on a bipartisan basis and do it soon.

Mr. President, thank you for the time.

Mr. President, I yield the floor.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

The Senate continued with the consideration of the bill.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 2157

Mr. GLENN. Mr. President, I rise today in opposition to the amendment offered this morning by the Senator from New Mexico, Senator BINGAMAN.

The PRESIDING OFFICER. If the Senator will suspend for a moment, technically the Senator will have to have someone yield him time at this point.

Who yields time?

Mr. THURMOND. Mr. President, I yield such time as the Senator may need.

Mr. GLENN. I am opposing the amendment. I guess I am ranking on the bill, so I will yield myself time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I rise in opposition to the amendment offered by the Senator from New Mexico, Senator BINGAMAN, to reduce by \$100 million the \$1.2 billion cap on the costs of renovating the Pentagon.

Mr. President, I do not plan to seek a rollcall vote on the amendment, but I do ask that when the vote on this amendment occurs, I be recorded as being opposed to this amendment.

My principal objection to the amendment is its timing.

Mr. President, I support every attempt to make prudent cuts to the cost of this enormous 15-year renovation project, but I believe that lowering the